

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 10/6/2015	(3) CONTACT/PHONE Frank Honeycutt, Transportation Division Manager (805) 788-5269	
(4) SUBJECT Submittal of a resolution approving the policies to govern the operation and maintenance of the County Highway System and provide staff direction on maintenance and operation of the road system. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: 1. Adopt the attached resolution approving the policies to govern the operation and maintenance of the County Highway System; and 2. Provide staff direction on maintenance and operation of the road system.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input checked="" type="checkbox"/> Board Business (Time Est. <u>120 min</u>)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) All Districts			

Reference: 15OCT06-BB-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Frank Honeycutt, Transportation Division Manager

VIA: Dave Flynn, Deputy Director of Public Works

DATE: 10/6/2015

SUBJECT: Submittal of a resolution approving the policies to govern the operation and maintenance of the County Highway System and provide staff direction on maintenance and operation of the road system. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Adopt the attached resolution approving the policies to govern the operation and maintenance of the County Highway System; and
2. Provide staff direction on maintenance and operation of the road system.

DISCUSSION

The County highway network that we enjoy is essential to serve the people of this County in a variety of ways and that touch upon each of the Board's goals for a safe, healthy, livable, prosperous and well governed community. Among California Cities and Counties, our system is the 20th largest road system for total maintained mileage.

In accordance with the California Streets and Highway Code Section 940, the Board of Supervisors is tasked with the general supervision, management, and control of County highways. Board guidance is carried out by the Road Commissioner (the Director of Public Works) to operate, control, and maintain the road system. The County road network currently includes:

- 1,092 miles of paved roads
- 264 miles of unpaved roads
- Over 60 miles of Class 2 bike lanes
- 187 bridges
- 18 signalized intersections
- Over 1,200 ADA curb ramps
- 151 cattle guards

- 12 flood control basins for roads
- 4,628 under road drainage culverts

In supporting the responsibilities and goals of the Board, the Public Works Department is seeking to enhance mobility throughout the County and to provide access for all.

Operating the road system is a continual work effort. During the last fiscal year, County crews completed over 4,200 work orders on the County road system. Of these work orders, about 23% (969) represented service requests directly from the public via a phone call, from our website request form, or from a comment raised during a citizen advisory committee. Some of these work orders were for short term tasks such as patching a pothole or replacing a road sign. Other work orders were for larger tasks such as a roadside slope repair.

Providing an acceptable level of service on these work orders can typically be measured in response time. A high priority work order would expect a response time of less than 24 hours. These would include replacing a downed traffic control sign, addressing a signal malfunction, or clearing a blocked road from a mudslide or downed tree. Patching a pothole would typically be repaired within four days. Some lower priority work orders would be addressed within 14 days or longer. The ability to complete these work orders, attain the expected performance measures, and provide service to our road users is directly dependent on the staffing and funding available.

Our field operations are sustained with a staff of 59 positions who work on these day to day tasks to keep the system safe and operating.

Historically there has been a gap between the funds available and the funds needed to provide all of the desired services. This funding gap underscores the need for the Department to diligently manage our funding and our staff resources and then to proactively set good priorities.

Managing resources and setting good priorities first requires a “needs” assessment of our road system components as well as performance assessment. Several facets of the road system have been assessed and planned in the following reports:

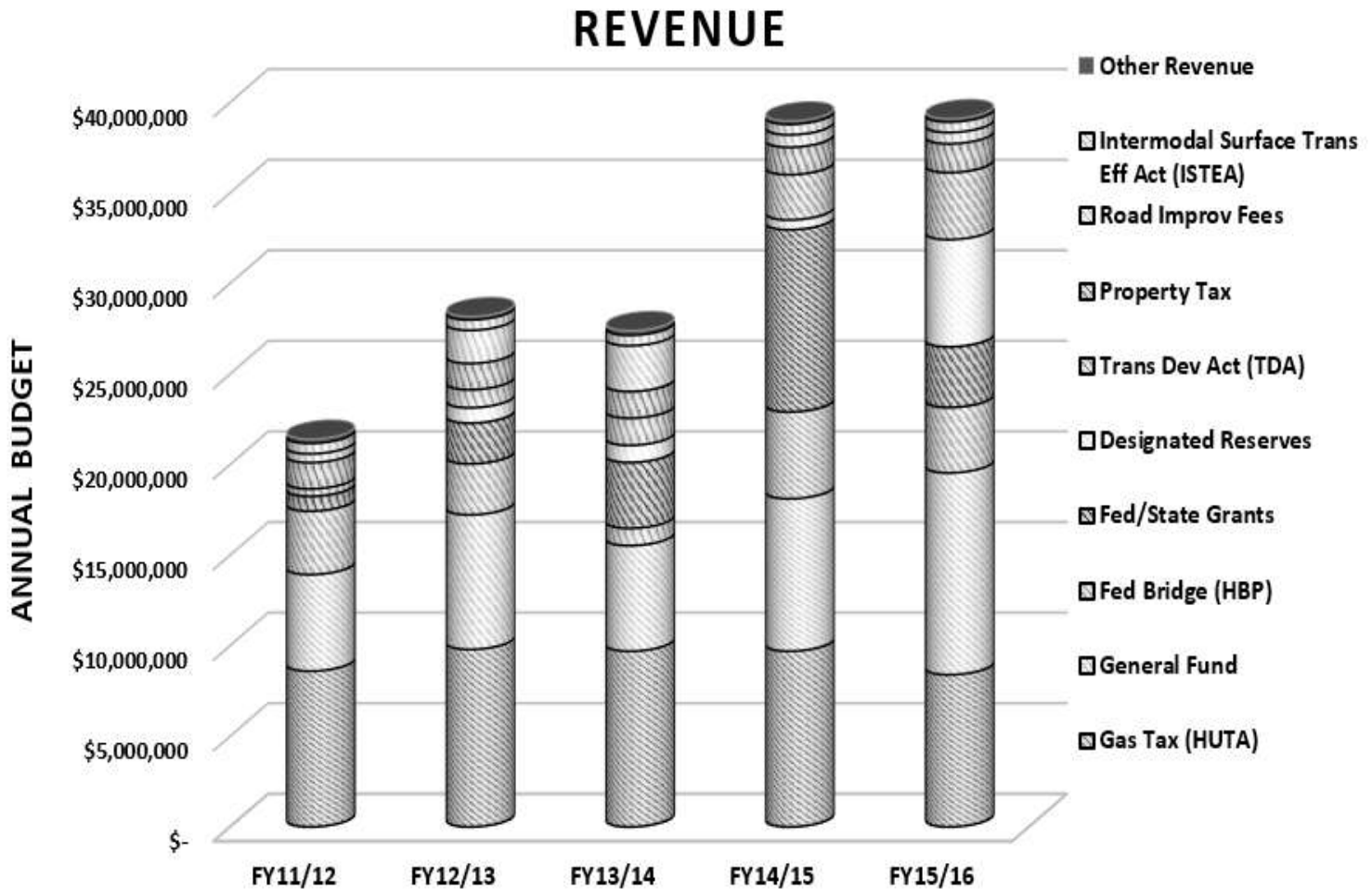
- 2015 Pavement Management Plan
- 2014 Bridge Maintenance Program
- 2013-2014 Roads Maintenance Report
- 2010 Bikeways Plan (*A Bikeways Plan update is in progress.*)

A brief summary of the reports, along with links to the full reports, can be found in Attachment “A.”

The success of these plans are monitored through performance measures that are included within the annual budget. These measures include monitoring the pavement condition index, the collision rates, and the bridge sufficiency ratings.

Funding

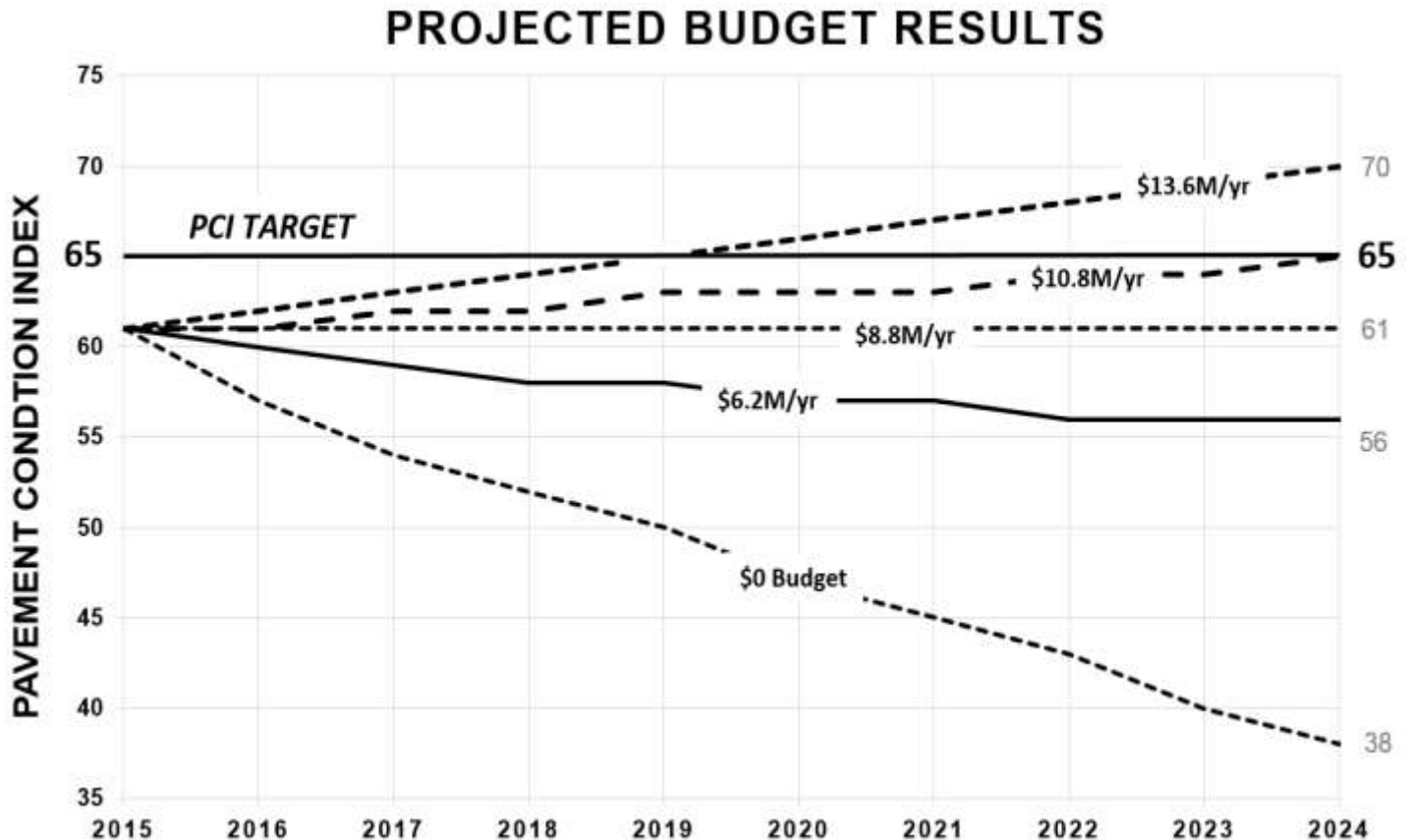
Funding for road maintenance comes from several sources but is primarily made up from the General Fund and Highway User Tax Apportionment (HUTA). Total funding for road maintenance over recent years is shown in this chart.



The current variance in HUTA and other revenue sources are insufficient to meet all of the County's transportation needs. Transportation Development Act (TDA) is funding derived from a $\frac{1}{4}$ ¢ sales tax on gasoline. While its purpose is to address transit needs, any unexpended funds are directed to the Road Fund. We have seen significant surplus of TDA the past three years. Other counties and cities as well as the State are facing funding shortfalls. Our County stands out on the continual level of support to the road fund from General Fund Revenues which has provided at least \$8M annually, of which about half is directed to Pavement Management and the remainder is for general road maintenance.

Pavement Management Program

For pavement management, achieving an overall pavement condition index (PCI) of 65 has been set by your Board. The following chart from the report demonstrates a need for an annual pavement management budget of \$10.8M to increase the PCI from the current 61 up to 65 in ten years. Typically, the pavement management budget has been funded at \$4.7M. Although this year the budget has been increased and has also received a one-time \$3.0M increase from General Fund and another one-time \$3.5M increase in Road Fund reserves for a total of \$11.2M. With this one time expenditure, we expect the PCI rating to increase to 63 at the end of 15/16 FY.



Bridge Maintenance Program

Our Bridge Maintenance Program (BMP) has identified 17 bridges which are needing significant attention or replacement within the next seven years. Federal funding is available to cover approximately 90% (\$49M) of the total cost (\$54M). The remaining cost, about \$5M, must be covered by a local match. This equates to annual impacts to the road fund of about \$750,000 per year. With an inventory of 187 bridges and a typical 100-year bridge life cycle, we need to undertake a goal of replacing or rehabilitating two bridges annually so as to not fall behind on bridge maintenance. Given reimbursement from the Federal Highway Bridge Program (HBP), this goal is attainable with strategic planning.

Road Maintenance

In addition to pavement management and bridge rehabilitation maintaining a road crew to address work orders for the maintenance is estimated to cost between \$10M and \$11M annually. The cost is expected to continue and likely increase due to:

- On-going pavement deterioration
- Increases in NPDES Stormwater compliance and maintenance requirements
- Increases in striping and signage installations
- Required contribution for replacement of equipment

Road Safety

Although County roads continue to exhibit collision rates below the State highway collision rates for similar facilities, the 2014 calendar year had one of the greatest number of fatal collisions reported in the past decade. Overall, there were 13 fatal collisions on County roads. Staff monitors collisions on County roads to reveal road segments with higher collision rates. For these locations, staff is pursuing grant funding through the Federal Highway Safety Improvement Program. Road Funds will be used to supplement these grants in order to accommodate the required local match. Road related bicycle fatalities are chief among locations to be addressed through grant funding opportunities.

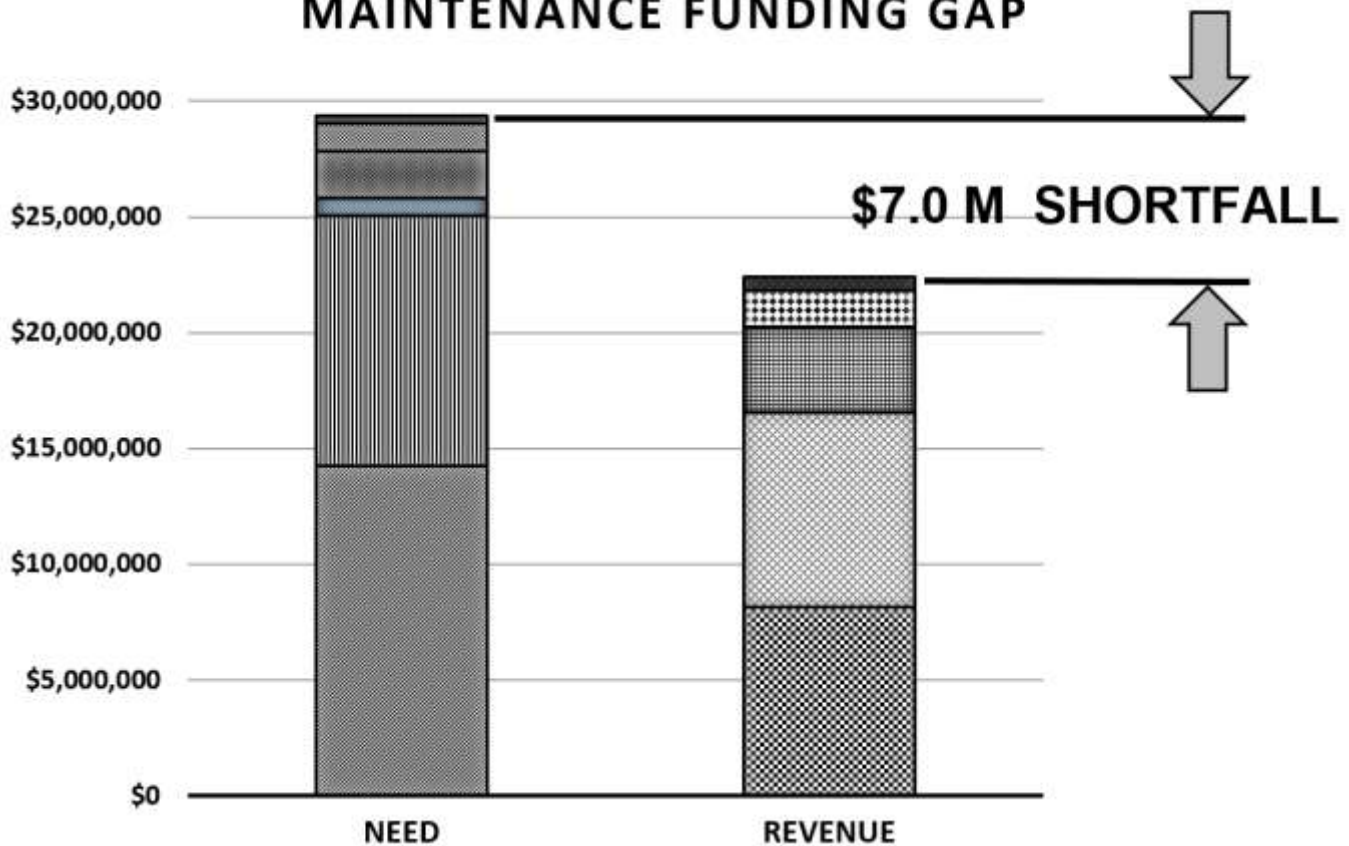
A primary means to promote roadway safety is striving to ensure the roadways are well maintained. Trimming brush that obscures sight distance, patching potholes that divert drivers, replacing worn bridge members and replacing road signs that are illegible at night are examples of routine maintenance activities that are needed to prevent collisions and injuries before they happen. Providing a good skid resistant driving surface free of defects is another means to help drivers avoid collisions. Thus maintenance activities are rightfully considered a primary road safety activity and must be given a high priority.

Likewise, our road design standards are prepared with the intention to promote safety and to reduce the maintenance demand on County resources. Roads designed and built to standard have historically proven to have fewer collisions and injuries. Therefore new roads or improvements to existing roads, whether prepared by County forces or by private development should conform to the *Public Improvement Standards* most recently adopted by your Board in 2014.

Road Policies

As shown in the graph below, there is a continuing funding gap of about \$7M annually. While your board has provided additional \$2 million and \$3 million of one time funding in 14/15 FY and 15/16 FY respectively. The level of funding will need to increase just to sustain our current conditions. It is anticipated that funding will continue to be insufficient to cover all of the transportation needs. Therefore, it is prudent to establish priorities to direct staff efforts and to allocate the funding as it becomes available. Staff is recommending that these existing policies be re-affirmed by your Board.

MAINTENANCE FUNDING GAP



NEED

- Development Services
- Engineering
- Administration
- Bridge Replacement (Local Match)
- Pavement Management
- Maint & Ops

STATUS QUO REVENUE

- Regional State Highway Act (RSHA)
- Property Tax
- Trans Dev Act (TDA)
- Gas Tax (HUTA)
- General Fund (\$8.1M Status Quo)

In order to optimize road safety, to minimize maintenance and operation costs, and to enhance the overall mobility, the following policies focus first on roadway maintenance, next on identified key locations needing safety improvements, and finally on those projects that promise to expand or enhance the County system. These policies are also written in the attached resolution for your consideration:

I GENERAL HIGHWAY SAFETY

A. Road Maintenance *(first priority)*

A well maintained County highway system, particularly one which provides good driving surfaces, promotes road safety by reducing opportunities for roadway collisions and injuries and also by reducing the frequency for maintenance crews to occupy the roadway. Furthermore, a well maintained County highway system requires less funding and fewer County resources when compared to poorly maintained highways; which ultimately frees up resources for other uses.

- 1. Pavement Management: Public Works shall prepare and regularly update a pavement management plan. This plan shall use current technology and best practices to maximize the level of service to the public, optimize the pavement condition of the overall County highway system and minimize the maintenance and operation cost. The pavement management goals for each year and performance results from the previous year should be included as part of the annual budget review and approval process.*
- 2. Bridge Maintenance: Maintain the County bridges in a safe and usable condition. Structurally deficient bridges should be addressed or replaced.*
- 3. Per Resolution 2007-344, limit adding new streets to the County maintained system to areas serving high density commercial or residential development.*
- 4. Consider terminating or abandoning County maintenance on roads serving fewer than five occupied parcels through the appropriate statutory procedures.*
- 5. Sidewalks shall be maintained in accordance with the Streets and Highway Code.*
- 6. Compliance with the Americans with Disability Act (ADA) at existing intersections shall be funded by the County per the adopted Title II Transition Plan for public rights-of-way.*

B. Road Improvements *(second priority)*

The aim is for the overall collision rate for the County highway system to be below the overall State collision rate. A priority shall be placed on those projects that:

- 1. Reduce collision rates below State average*
- 2. Improve roadway sight distance*
- 3. Provide lighting for identified roadway safety needs*
- 4. Address identified Safe Route to School needs as primary focus for grant applications.*
- 5. Drainage projects that improve road surface conditions*

II ROADWAY BETTERMENTS *(third priority)*

In addition to roadway safety and maintenance needs, there are other desired improvements or betterments to the County highway system that promise to offer an improved level of service to the public. These should typically be addressed as follows:

- 1. Upgrading roads, including paving gravel roads, should be funded by the affected property owners under the Board of Supervisor's adopted Cooperative Road Program; which are developed through County Service Area 21.*

2. *Increasing roadway capacity or providing additional access to mitigate cumulative impacts from development shall be funded by development through one of the County's Road Improvement Fee programs.*
3. *The following types of projects should be funded through outside grants sources such as Active Transportation Projects (ATP), Congestion Mitigation and Air Quality (CMAQ), and Regional State Highway Account (RSHA) grant programs.*
 1. *Develop and improve bikeways (per the County Bikeways Plan)*
 2. *Implement downtown streetscape projects*
 3. *Construct pedestrian routes*
 4. *Construct "Complete Streets" Projects*
4. *Maintenance for street lighting, landscaping, and other non-transportation street features shall be funded outside of the Road Fund. Inclusion of these amenities within the County right-of-way will require funding and maintenance by the local community via a Community Services District, a Community Services Organization, a Non-Profit Agency, or other community group.*

III Road Design

Design standards for road construction are intended to promote safety and to reduce the maintenance demand on County resources. Therefore new roads or improvements to existing roads in the County maintained system shall conform to the Public Improvement Standards adopted by the Board of Supervisors. Deviations from these standards should only be allowed after proper documentation for a design exception and when approved by the Director of Public Works or his designee.

Future Trends/Actions

Across the State, local agencies are confronted with maintenance needs which exceed the available funding. The latest *California Local Streets and Roads Needs Assessment Report* reveals that over \$3 Billion is required annually to maintain the roads system in its current state. Our County is one of several "At Risk" counties which have a PCI below the statewide average of 66. Both the League of Cities and the California State Association of Counties has brought this report forward for action at the State level.

Those Counties which have passed a regional sales tax and are considered "self-help" Counties. These counties have additional resources to put toward their pavement management needs, and as a result, typically have higher than average pavement condition ratings. Moreover, they are also in a position to leverage their status to greater financial benefit at the State level through various transportation legislation or propositions which move forward for consideration.

A. Potential Funding at the State Level

At the start of 2015, the Governor indicated his support for moving forward with solutions to maintain the California street network. Currently, several proposals have been considered that would either stabilize funding or create/re-designate funding toward local government needs.

1. SB 16 Beall: This bill proposes to increase several taxes and fees to raise roughly \$3.5 Billion in new transportation revenues annually for five years with the funding used to address deferred maintenance on roads. Specifically, this bill includes the following features:

- Imposes a \$0.10 per gallon excise tax on gasoline.
- Imposes a \$0.12 per gallon excise tax on diesel fuel.
- Increases vehicle license fees from 0.65% to 1.0% of value.
- Increases registration fees by \$35 (\$100 for electric vehicles).
- Distributes funding to Counties by existing formulas.
- Set asides additional funding for Self-Help Counties (those with sales taxes for transportation needs).

For an average driver, with an average vehicle, driving 12,000 miles per year, the resulting increase in cost is estimated to be \$120 per year.

Passage of such legislation would result in an additional \$8M annually to the County.

2. Governor's Plan: The Governor has proposed an alternative to SB 16 that includes the following features:

- A new \$65 per vehicle road improvement fee.
- Imposes a \$0.06 per gallon excise tax on gasoline.
- 45% of the revenue (\$1.2B) would be directed to local roads.
- An additional \$250M would be distributed to Self-Help Counties.
- Requires funding to be used for road maintenance unless PCI is above 85.

Passage of such legislation would result in an additional \$5M annually to the County.

Either measure would require a 2/3 vote of approval by the legislature to move forward. At the close of the legislative session on September 11th, no conclusion on the bills had been reached.

Additionally the California State Association of Counties (CSAC) has prepared for our legislators, twelve requirements or priorities that are needed for a comprehensive transportation funding package. These are attached for your reference (Attachment B).

B. Potential Funding at the Local Level

As a part of San Luis Obispo Counsel of Governments (SLOCOG), your Board explored the option of establishing a countywide special sales tax. This option will likely need further review by SLOCOG.

For comparison purposes, various alternative funding options are listed in Attachment "C", Local Revenue Options Chart.

OTHER AGENCY INVOLVEMENT/IMPACT

The Public Works Department works with many County Departments as well as various local, State, and Federal agencies in administering the County Maintained Road System. These include: the Department of Planning and Building; County Counsel; the Department of Central Services; the County Auditor/Controller; the County Administrative Officer; Caltrans; the Federal Highway

Administration; all of the Cities in the County; most of the Special Districts in the County; many local, State, and Federal regulatory agencies; CSAC; utility companies; and many others.

The pavement management report has been presented to each of the Community Advisory Committees as well as with the Bicycle Advisory Committee for review and comment.

SLOCOG has recently reviewed a potential countywide sales tax initiative with their Board in August of this year and intends to revisit the item this fall.

The State Controller's office requires annual reporting of the road fund expenditures and is subject to audits by the Controller's staff.

County Counsel has reviewed the attached resolution as to legal form and effect.

FINANCIAL CONSIDERATIONS

The direct financial impacts associated with the adoption of the policies are intended to minimize cost to the Road Fund and the General Fund while maximizing service to the road dependent public.

These policies will guide the Public Works Department's Road Fund budgeting in future years and expenditure of the Public Works Department's Road Fund budget, which is currently \$39.1 million for FY 2015-16.

RESULTS

Approval of the recommended actions will ensure responsible management of the County maintained road system and wise use of the road fund. Together these actions will promote the Board's goals for a safe, healthy, livable, prosperous and well governed community.

ATTACHMENTS

1. Attachment A - Summary of Staff Reports on Pavement Management, Bridge Maintenance, and Roads Maintenance
2. Attachment B - CSAC Priorities for a Comprehensive Transportation Funding Package
3. Attachment C - Local Revenue Options Chart
4. Resolution Approving the Policies to Govern the Operation and Maintenance of the County Highway System

File: Roads - General

Reference: 15OCT06-BB-1

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